

OPS Notice of Final Rule

“Pipeline Integrity Management in High Consequence Areas”
(Hazardous Liquid Operators with Less than 500 Miles of Pipelines)

Docket No. RSPA-00-7408

Summary of Rulemaking:

On March 21, 2001, the Research and Special Programs Administration (RSPA), Office of Pipeline Safety (OPS) published a Notice of Proposed Rulemaking for “Pipeline Integrity Management in High Consequence Areas”(Hazardous Liquid Operators with Less than 500 Miles of Pipelines) and solicited comments from interested parties. The Washington Citizens Committee on Pipeline Safety (Committee) and the Washington Utilities and Transportation Commission, Pipeline Safety Division (WUTC) provided comments on the proposed rule. On January 16, 2002, the RSPA published its final rule in this docket in the Federal Register.

The final rule covers the protection of populated areas, commercially navigable waterways, and areas unusually sensitive to environmental damage from hazardous liquid pipeline spills. The rule applies to hazardous liquid pipeline operators who own or operate less than 500 miles of pipeline. The rule as adopted does not contain any substantive change to the existing program standards that were adopted in Docket Number RSPA-99-6355, which became final on December 1, 2000. (This final rule applied to operators who own or operate *500 or more miles* of pipeline, subject to 49 CFR Part 195.) (OPS has explained that pipeline segments of less than 500 miles may be subject to the “500 or more miles” rule if that pipeline segment is part of an aggregate system of 500 or more miles operated by one entity.)

The final rule, as published and applying to operators who own or operate *less than 500 miles of pipeline*, requires development of an integrity management program that continually assesses pipeline segments that could affect areas defined by OPS as “high consequence areas” (HCA’s). HCA’s include populated areas, areas unusually sensitive to environmental damage (e.g. drinking water and other ecological resources), and commercially navigable waterways. Pipeline assessment is to be conducted through the use of internal inspection (smart pigs), pressure tests, or use of other technology capable of equivalent performance.

Operators who own or operate less than 500 miles of pipeline have until November 18, 2002 to identify pipeline segments, which were existing on May 29, 2001, that affect HCA’s. These same operators have until February 18, 2003 to develop a written integrity management program addressing the risks on each segment of these same pipelines.

Baseline assessments must be completed within seven years after the final rule becomes effective. Following this assessment, operators will be required to periodically re-assess and evaluate pipeline segments within a five-year interval. The rule allows operators to

seek a variance in limited situations from the required five-year re-assessment interval if they can provide the necessary justification and supporting documentation.

The rule requires an operator to take prompt action to address the integrity issues raised by their assessment and analysis. This means an operator must evaluate and repair all defects that could reduce a pipeline's integrity according to specified risk criteria.

Comments submitted to OPS:

The Committee submitted comments that supported the uniform application of the integrity management rule to all hazardous liquid pipeline operators, irrespective of the length of pipeline owned or operated. The Committee also suggested that RSPA require companies to consult with potentially affected communities to seek public input on identification of high consequence areas during development of the integrity management plans.

The WUTC also submitted comments in support of the application of the integrity management rule to all pipelines, regardless of length. In addition, the WUTC suggested that companies be required to conduct baseline assessments of newly constructed pipeline segments as soon as possible following commissioning in order to establish baseline information that would help them assess the effectiveness of a company's ongoing damage prevention efforts. In addition we urged OPS to require baseline assessments of existing pipelines as soon as practicable after the final rule took effect.

RSPA response to comments:

In response to the comments submitted by the Committee, OPS stated that they recognized that community input was valuable in many situations involving pipelines, particularly in site selection and emergency response; however, they did not feel it was necessary to mandate that operators seek the input suggested. OPS stated that the definition of HCA in §195.450 covered the Committee's concern about the populations at risk. OPS stated that operators should be able to quite easily identify HCA's using available U.S. Census Bureau information. Further, if additional information were needed from community records to complete the identifications, the rule would implicitly obligate operators to seek this information, making an explicit requirement unnecessary.

In response to the comments submitted by the WUTC, OPS stated that for newly constructed pipelines, hydrostatic testing completed as required by other regulations in Part 195 would fulfill the baseline assessment requirement. OPS believed that since this testing is normally part of the construction process it should meet the WUTC's objective of early assessment. Further, OPS responded that although they agreed that earlier baseline assessment would be beneficial, they did not think that requiring it sooner than within 7 years, would be reasonable under present circumstances. OPS cited the volume of assessments, the limited availability of in-line assessment tools, and the time needed to schedule pressure testing to minimize service disruptions as critical constraints to mandating earlier action.